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TAGS: [PREL](#) [ECIN](#) [ETRD](#) [EPET](#) [XL](#) [TD](#)  
SUBJECT: CARICOM INTER-SESSIONAL WRAP-UP: PETROCARIBE AND  
HAITI ISSUES RESOLVED

REF: A. A. PORT OF SPAIN 00204  
[1](#)B. B. PORT OF SPAIN 00034

Classified By: DCM Eugene P. Sweeney for reasons 1.4 (b) and (d)

[1](#)1. (C) SUMMARY: At the final press conference of the 17th CARICOM Inter-sessional Heads of Government meeting, members announced that they had resolved two of the most contentious issues, Haiti's status in CARICOM and PetroCaribe. On PetroCaribe, T&T decided to support suspension of the common external tariff. Apparently, this concession garnered a "sympathetic hearing" to a CARICOM-U.S. partial-scope trade agreement that would grant T&T petroleum-based products preferential trade status. The heads of government also asserted that Haiti would be represented at the regular CARICOM meeting that will take place in July. Outgoing Jamaican PM Patterson gave an overview of CARICOM's historic development and urged continued forward progress. END SUMMARY.

[1](#)2. (U) The 17th CARICOM Inter-sessional Heads of Government meeting wrapped up on February 10 with a late-evening press conference. Trinidad and Tobago's Prime Minister Patrick Manning chaired the press briefing. St. Vincent PM Gonsalves, Jamaican PM Patterson and CARICOM Secretary General Carrington also spoke at the briefing.

#### CONFERENCE OVERVIEW

[1](#)3. (U) Manning detailed the outcomes of the conference, distilling the lengthy joint communiqu  into five points.

- The Bahamas signed the revised Treaty of Chaguaramas. This was the final signature required to bring the CARICOM Single Market into force.

- CARICOM allocated USD 120 million to establish a regional development fund. Twenty million will come from the petroleum stabilization fund, with the remainder to be paid by the member states according to an as-yet undeveloped formula.

- CARICOM member states resolved their differences on PetroCaribe. After a full, frank discussion of the pitfalls and benefits to the system, CARICOM members "kissed and made up" on this divisive issue.

- CARICOM offered congratulations to the Haitian people for their recent elections. CARICOM affirmed that, once the results are certified as free and fair, Haiti would receive an invitation to the July CARICOM meeting.

- Finally, outgoing Jamaican PM Patterson received high accolades for his unstinting work to further Caribbean integration.

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PETROCARIBE STILL A SORE SPOT?  
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14. (SBU) During the question and answer portion of the briefing, Manning looked distinctly uncomfortable when pressed to explain exactly how the PetroCaribe issue had been resolved. Manning continually asserted that all sides saw both the benefits and pitfalls to the situation, but that they had resolved their differences. He announced that T&T decided to support an exemption from the common external tariff for PetroCaribe to work. Somewhat less confidently he revealed that T&T would seek to negotiate directly with Venezuela to process some of the crude to be used for the PetroCaribe system. He also noted that he received "a sympathetic hearing" to pursue a partial-scope free trade agreement with the United States that would pertain to CARICOM products currently produced only in Trinidad, such as methanol, urea, ammonia and ethanol propylene (Ref B). Manning took this opportunity to underscore the need to follow CARICOM's existing consultative structures.

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ECONOMIC PROGRESS: MOVING PEOPLE WITHIN, LOBBYING WITHOUT  
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15. (U) PM Gonsalves commented that the members of the Organization of Eastern Caribbean States felt comfortable with the pace of integration. He also noted that prior to July's meeting, he expects expanded consultation on regional free movement of people. Carrington spoke about the need for

CARICOM to lobby beyond its borders to ensure that its voice is heard in larger international fora, such as the WTO. He expressed displeasure with the EU decision to end the sugar protocol, calling it the "abrogation of a sacred treaty" and called on the CARICOM Heads of Government to ensure that they reached out to Europe to make their collective position known.

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FREE TRADE AGREEMENTS NEEDED  
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16. (U) The undisputed star of the conference was outgoing Jamaican PM Patterson. Patterson first briefed on developments from the economic subcommittee. He noted that CARICOM needs to develop a juridical persona, and that action will be taken on this issue in July. Patterson revealed that the Heads of Government agreed that CARICOM should be prepared to enter into direct free trade negotiations with the United States in the case that the Free Trade Area of the Americas does not materialize.

17. (U) Journalists managed to wring the concession out of Patterson that he would be willing, if asked, to consult with CARICOM leaders as they embark on their EU negotiations. He stated that, while writing was now his highest priority, he could not deny his former CARICOM colleagues the network of contacts he had built up over his years in government.

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A CARICOM RETROSPECTIVE: OVERALL, PRETTY GOOD  
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18. (U) Patterson moved into a retrospective on CARICOM's development. Overall, he is pleased to have been a part of CARICOM from the beginning, and is largely satisfied with its development. However, he cautioned that members must ensure they implement their decisions, rather than just making statements. Patterson also expressed supreme displeasure with the slow pace of bringing the Caribbean Court of Justice into being, which denies CARICOM members local, ultimate jurisdiction over their justice systems. In what seemed to be a veiled reference to CARICOM's previously laissez faire

attitude towards Haiti, Patterson exhorted his colleagues to make foreign policy decisions based on principle, rather than on political expedience so that history can judge the integrity of their decisions.

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RETURNING HAITI TO THE FOLD  
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¶9. (U) Reporters pressed on CARICOM's position vis--vis Haiti, implying that it had softened. PM Manning denied that the position had softened, pointing out that CARICOM had consistently required that Haiti's government be democratically elected before Haiti was invited back into CARICOM. All speakers asserted that Haiti would be welcomed back to CARICOM in time for the July meeting. PM Gonsalves advised reporters that they could look to CARICOM members' participation in the Haitian inauguration as evidence of reengagement.

¶10. (C) COMMENT: For CARICOM as a whole, the inter-sessional meeting was a success because it resolved the two most potentially contentious issues, PetroCaribe and Haiti, without much acrimony. Meanwhile, T&T may have turned a loss on PetroCaribe into a win on trade. Although not explicitly linked, it appears that T&T agreed to facilitate PetroCaribe by supporting the common external tariff waiver in return for permission to pursue a CARICOM free-trade agreement with the U.S. that would provide exclusive benefit to T&T. Manning stuck by his guns even in this by using the CARICOM consultative system rather than forging ahead and negotiating it unilaterally, the way he alleges some Caribbean states did with PetroCaribe. END COMMENT.  
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